

STATE OF LOUISIANA LEGISLATIVE AUDITOR

Louisiana Asset Management Pool
State of Louisiana
New Orleans, Louisiana

June 20, 2009



Financial and Compliance Audit Division

Daniel G. Kyle, Ph.D., CPA, CFE
Legislative Auditor

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LEGISLATIVE AUDITOR

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LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA
New Orleans, Louisiana

**General Purpose Financial Statements
and Independent Auditor's Reports
As of and for the Year Ended December 31, 2000
With Supplemental Information Schedule**

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge and New Orleans offices of the Legislative Auditor.

June 29, 2001

**LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA**

*General Purpose Financial Statements
and Independent Auditor's Reports
As of and for the Year Ended December 31, 2009
With Supplemental Information Schedule*

CONTENTS

	Statement	Page No.
Independent Auditor's Report on the Financial Statements		2
General Purpose Financial Statements:		
Statement of Net Assets	A	4
Statement of Changes in Net Assets	B	5
Notes to the Financial Statements		6
	Schedule	Page No.
Supplemental Information Schedule - Schedule of Investments	1	10
	Exhibit	
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of the Financial Statements Performed in Accordance With Government Accounting Standards	A	



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June 5, 2001

Independent Auditor's Report
on the Financial Statements

**BOARD OF DIRECTORS OF THE LOUISIANA
ASSET MANAGEMENT POOL, INCORPORATED
STATE OF LOUISIANA
New Orleans, Louisiana**

We have audited the accompanying general purpose financial statements of the Louisiana Asset Management Pool, a component unit of the State of Louisiana, as of and for the year ended December 31, 2000, as listed in the foregoing table of contents. These financial statements are the responsibility of management of the Louisiana Asset Management Pool. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accompanying general purpose financial statements referred to above present fairly, in all material respects, the net assets of the Louisiana Asset Management Pool as of December 31, 2000, and the changes in net assets for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated June 5, 2001, on our consideration of the Louisiana Asset Management Pool's internal control over financial reporting and on our tests of its compliance with certain provisions of laws and regulations. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

LEGISLATIVE AUDITOR

**BOARD OF DIRECTORS OF THE LOUISIANA
ASSET MANAGEMENT POOL, INCORPORATED
STATE OF LOUISIANA**

Audit Report, December 31, 2008

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying supplemental information schedule listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements of the Louisiana Asset Management Pool. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Respectfully submitted,



Daniel G. Kyle, CPA, CFE
Legislative Auditor

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page 10

LOUISIANA ASSET MANAGEMENT FUND
 STATE OF LOUISIANA
 FIDUCIARY FUND - INVESTMENT TRUST FUND

Statement of Net Assets, December 31, 2000

ASSETS

Cash and cash equivalents (note 2)	\$0,102,528
Investments (note 3)	740,044,890
Interest receivable	2,098,899
Prepaid federal income tax (note 10)	8,218
Furniture, fixtures, and office equipment, net (note 1-6)	<u>41,637</u>
TOTAL ASSETS	<u>757,242,134</u>

LIABILITIES

Accounts payable	3,439
Accrued expenses	113,085
Compensated absences payable (note 5)	<u>9,870</u>
TOTAL LIABILITIES	<u>126,402</u>

NET ASSETS	<u><u>\$637,115,735</u></u>
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The accompanying notes are an integral part of this statement.

**LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA
FIDUCIARY FUND - INVESTMENT TRUST FUND**

**Statement of Changes in Net Assets
For the Year Ended December 31, 2000**

FROM INVESTMENT ACTIVITIES

Interest income	\$36,037,916
Less administrative expenses	(1,485,216)
Net increase in fair value of investments	<u>9,087,723</u>
Increase in net assets from investment activities	<u>48,830,425</u>

FROM PARTICIPANTS' TRANSACTIONS

Subscriptions	1,058,870,594
Redemptions	<u>(1,058,870,754)</u>
Increase in net assets from participants' transactions	<u>21,195,038</u>

Total increase in net assets	<u>67,827,563</u>
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NET ASSETS, BEGINNING OF YEAR	<u>689,285,478</u>
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NET ASSETS, END OF YEAR	<u><u>\$757,115,725</u></u>
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The accompanying notes are an integral part of this statement.

**LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA**

Notes to the Financial Statements
As of and for the Year Ended December 31, 2000

INTRODUCTION

The Louisiana Asset Management Pool (LAMAP) is an investment pool established as a cooperative endeavor to enable public entities of the State of Louisiana to aggregate funds for investment. Public entities, as defined by Article XIX of LAMAP's Articles of Incorporation, include the instrumentalities and political subdivisions of the State of Louisiana: parishes, municipalities, or other subdivisions of government; any entity created by, subject to the administration of, or otherwise governed by any university, hospital, or retirement system; and any other entity which may be designated as a public entity by the president of LAMAP. The State of Louisiana and its departments are specifically excluded from participation in LAMAP by Section XIX of LAMAP's Articles of Incorporation. The investment pool is intended to improve administrative efficiency and increase investment yield. LAMAP is a cooperative endeavor formed, in part, in reliance upon Opinion No. 92-192 (March 31, 1992) issued by the Louisiana Attorney General's Office, which stated that public entities may pool funds for investment purposes. As of December 31, 2000, there were 347 voluntary participants in the pool. There were no involuntary participants during this year.

LAMAP is administered by Louisiana Asset Management Pool, Incorporated, (the "corporation"), a nonprofit corporation formed under the provisions of Louisiana Revised Statute (R.S.) 12:22, pursuant to Section 119 of the Internal Revenue Code of 1986, as amended. The corporation was formed to manage and administer or provide for the orderly management and administration of LAMAP.

Article VIII of LAMAP's Articles of Incorporation provides that the Treasurer of the State of Louisiana is the sole Administrative Member of the corporation. The Board of Directors of LAMAP, Inc., consist of 9-14 pool participants plus the administrative member, who is President of the Corporation. Board members are elected annually by participants, except the President, who is a standing member of the board. There are currently 14 members of the board of directors. Board members can serve for a maximum of three one-year terms, and all board members serve without compensation. LAMAP, Inc., has four employees and is subject to the regulatory oversight of the state treasurer and the board of directors. LAMAP is not registered with the SEC as an investment company.

The corporation entered into a contract with a custodian bank (First National Bank of Commerce) for a period of one year commencing as of April 5, 1997, with options to extend for four additional one-year terms. As of May 5, 1998, the contract was terminated and a contract was entered into with Hibernia National Bank to become custodial bank for a period of one year with options to extend for four additional one-year terms. Effective May 5, 2000, the corporation extended the contract for an additional year.

The corporation entered into a contract with an investment adviser (Bank One Investment Advisors Corporation) for a period of three years commencing April 4, 1997, with options to extend for two additional one-year terms. Effective April 4, 2000, LAMAP amended the contract, which will be in force for one year with an option to extend for one additional year.

LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

LAMP reports on its financial position and results of operations. The financial statements account for receipts from participants, investment income, and distribution of funds to participants. The activities of LAMP and the corporation (LAMP, Inc.) are consolidated for financial statement purposes. All interagency receivables, payables, revenues, and expenses have been eliminated.

B. REPORTING ENTITY

Using the criteria in GASB Codification Section 2700, the Division of Administration, Office of Statewide Reporting and Accounting Policy has defined the governmental reporting entity to be the State of Louisiana. The Office of Statewide Reporting and Accounting Policy considers LAMP to be a component unit (investment pool) of the State of Louisiana because the state has financial accountability in that the state treasurer, as the administrative member, is a standing member of the board of directors, acts as the chief executive officer of the corporation, supervises and controls the affairs of the corporation, and has the power and authority reasonably necessary to direct the operations and activities of the corporation. The state treasurer serves as president of the corporation and appoints the secretary-treasurer. The accompanying financial statements present information only as to the balances of LAMP, a component unit of the State of Louisiana. Annually, the State of Louisiana issues general purpose financial statements, which include the activity contained in the accompanying financial statements. The general purpose financial statements are audited by the Louisiana Legislative Auditor.

C. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The financial statements of LAMP are accounted for using the accrual basis of accounting. Accordingly, revenue is recognized when earned and expenses are recognized when incurred.

**D. CASH, CASH EQUIVALENTS,
AND INVESTMENTS**

Cash and cash equivalents represent amounts on deposit with the custodian, fiscal agent banks, and the investment advisor. Under state law, LAMP may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. LAMP's permissible investments are set forth in R.S. 33:2855 and are further limited in accordance with investment guidelines promulgated by the board of directors. LAMP's Statement of

LEGISLATIVE AUDITOR

LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

Investment Guidelines authorizes investments in various investment products, including United States Treasury bills or notes, Federal Home Loan Bank notes, Federal National Mortgage Association notes, Federal Farm Credit Bank notes, Student Loan Marketing Association notes, and other investments as approved by the board of directors. To provide for the required liquidity for withdrawals from LAMP, all investments shall have, at the time of purchase, a maximum remaining maturity of 367 days and the dollar weighted average maturity of LAMP shall not generally exceed 90 days.

LAMP's investments are stated at fair value based on quoted market values. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value.

LAMP has not obtained any legally binding guarantees during the period to support the value of the shares, since all investments are short-term, highly liquid securities.

B. FURNITURE, FIXTURES, OFFICE EQUIPMENT,
AND COMPUTER EQUIPMENT

Furniture, fixtures, office equipment, and computer equipment of the corporation are included on the balance sheet at historical cost. Depreciation of all fixed assets is charged as an administrative expense. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight-line method over the estimated useful lives of the assets. A summary of changes in furniture, fixtures, office equipment, and computer equipment follows:

	Balance December 31, 1999	Additions	Deletions	Balance December 31, 2000
Furniture and fixtures	\$20,367	\$1,533		\$21,799
Office equipment	18,517	1,383		19,900
Computer equipment	25,895	9,543		35,438
Total	<u>\$64,780</u>	<u>\$2,459</u>	<u>None</u>	<u>\$67,239</u>
Less - accumulated depreciation	<u>\$21,709</u>	<u>11,601</u>	<u>None</u>	<u>\$33,310</u>
Net furniture and fixtures and office equipment	<u>\$43,071</u>	<u>\$12,858</u>	<u>None</u>	<u>\$55,929</u>

LEGISLATIVE AUDITOR

LOUISIANA ASSET MANAGEMENT POOL STATE OF LOUISIANA Notes to the Financial Statements (Continued)

The estimated useful lives used in determining depreciation for the various types of assets are as follows:

Furniture and fixtures	84 months
Office equipment	84 months
Computer equipment	60 months

2. CASH AND CASH EQUIVALENTS

At December 31, 2000, LAMP has cash and cash equivalents (book balances) totaling \$6,162,626 as follows:

Demand deposits	\$5,898,641
Custodial deposits	687
Time deposits	<u>255,000</u>
Total	<u>\$6,155,328</u>

The demand and custodial (custodian and investment advisor) deposits of LAMP are secured by federal deposit insurance or the pledge of securities owned by the custodial bank and investment advisor. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the custodial bank. These pledged securities are maintained in the custodial bank's joint custody account of the Federal Reserve. LAMP also has three certificates of deposit for \$85,000 each with interest rates of 5.50%, 6.41%, and 6.53% and maturities of 9 months, 180 days, and 181 days, respectively. These certificates of deposit are held at three separate banks and are fully collateralized by federal deposit insurance. At December 31, 2000, LAMP has \$8,195,053 in deposits (collected bank balances), which are secured from risk by \$473,644 of federal deposit insurance (GAAP Risk Category 1) and \$6,721,849 of pledged securities (GAAP Risk Category 1).

3. INVESTMENTS

Investments of \$748,944,816, as presented on Statement A, are valued at fair value. The investments are comprised of several different types of investment securities. The following itemizes the investments, the range of maturity dates and yields of each category of investment, the fair value of investments, the face amount of the investments, the carrying value at amortized cost at December 31, 2000, and the change in investments during the year.

LEGISLATIVE AUDITOR

LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

Investment Securities	Maturity Dates	Yield	Fair Amount at December 31, 2000	Carrying Value at December 31, 2000	Fair Value at December 31, 2000
			2000	2000	2000
Federal Farm-Credit Bank Notes	10/20/01 - 10/20/04	5.80 - 6.87%	\$10,000,000	\$9,898,800	\$10,000,000
Federal Home Loan Bank Notes	3/22/01 - 4/30/01	5.54 - 6.75%	25,000,000	24,871,879	24,899,800
Federal Home Loan Mortgage Corporation Notes	10/20/01 - 10/20/04	6.07 - 6.80%	143,000,000	140,498,889	140,498,795
Federal National Mortgage Association Notes	5/15/01 - 10/15/04	6.17 - 6.85%	110,000,000	110,010,079	110,004,291
Repurchase Agreements	3/15/01	6.40 - 6.50%	422,000,000	421,801,000	422,000,000
Total			\$718,000,000	\$716,080,767	\$716,044,876

	Change in Commitments	
	Amount	Fair Value
Balance, December 31, 1999	\$678,619,871	\$678,621,674
Add:		
Investment purchases	111,207,218,000	111,207,218,000
Reinvested interest	44,718,040	38,261,543
Fair value increase		8,997,271
Total	111,291,936,040	111,294,476,814
Less - Investment maturities	(111,262,604,040)	(111,312,655,845)
Balance, December 31, 2000	\$716,080,791	\$716,044,876

The investments are registered in the name of LAMP and are held in the custodial bank's trust account at the Federal Reserve. Because the investments are held by the custodian in the name of LAMP, the investments are considered Category A, in applying the credit risk of GASB Codification Section 150.125.

4. INVESTMENT EARNINGS

One or more accounts can be established for each public entity investing in LAMP. Interest is calculated on a daily basis and added to principal of each depositing member's account as of the last day of each month. For purposes of determining participants' shares paid and reinvested, investments are valued at amortized cost. For financial statement purposes, investments are valued at fair value.

LEGISLATIVE AUDITOR

LOUISIANA ASSET MANAGEMENT POOL STATE OF LOUISIANA Notes to the Financial Statements (Continued)

At the direction of the public entity, funds are transferred from any such account to a designated local depository bank on any business day. Each depositing public entity owns a proportionate, undivided, fractional interest in each asset comprising LAMP.

The objective of LAMP is to provide safety of principal and daily liquidity with a competitive rate of return to members by pooling monies. The following table shows, by quarter, the average daily yield percentage (annualized on a cumulative basis) of LAMP for the year ended December 31, 2000:

<u>Period</u>	<u>Annual Interest Rate</u>
January 1 to March 31	5.67%
January 1 to June 30	5.96%
January 1 to September 30	6.18%
January 1 to December 31	6.26%

5. COMPENSATED ABSENCES PAYABLE

The corporation has three full-time employees. These employees are provided vacation and sick leave on a cumulative basis. Hours of vacation and sick leave earned are based on the number of years of service. Vacation leave cannot be used until after the first 6 months of employment but may be carried forward into the next year at a rate of 2.5 times the employee's annual accrual or a maximum of 300 hours, whichever is less. A maximum of 300 hours of vacation leave is payable upon termination. Sick leave may be carried forward into the next year with no limitation but is not payable upon termination. Compensatory time earned may be carried forward into the next year but is not payable upon termination. A compensated absence liability of \$9,876-as of December 31, 2000, is included in the financial statements.

6. RETIREMENT PLAN

Effective June 1, 1998, the corporation established a Savings Incentive Match Plan for employees, which is an Individual Retirement Account (IRA) under Section 408(p) of the Internal Revenue Code. Under the plan as authorized by the corporation's board of directors, all full-time employees may elect to defer a percentage of their annual compensation in an amount not to exceed \$6,000 into an account established at a financial institution of their choice. The corporation contributes to this account a matching portion up to 3% of the employee's annual compensation. Each employee is fully and immediately vested in employee and employer contributions made to the employee's account. The employees' contributions for 2000, 1999, and 1998 totaled \$5,661, \$3,684, and \$1,627, respectively. The employer's contributions for 2000, 1999, and 1998 totaled \$2,957, \$2,352, and \$870, respectively.

LEGISLATIVE ACTION

LOUISIANA ASSET MANAGEMENT POOL STATE OF LOUISIANA Notes to the Financial Statements (Continued)

F. ADMINISTRATIVE CHARGES

Under the agreement with Bank One Investment Advisors Corporation, the corporation pays an annual advisory fee (calculated and remitted monthly) based on LAMP's average daily net assets as follows:

<u>Asset Value</u>	<u>Basic Point Fee</u>
\$100 million	12.5
\$200 million	12.5
\$300 million	12.5
\$400 million	9.0
\$500 million	9.0
\$600 million	9.0
\$700 million	9.0
\$800 million	9.0
\$900 million	9.0
\$1 billion or more	4.0

During the year ended December 31, 2000, investment advisor fees of \$819,000 were incurred.

Under the agreement with Hibernia National Bank, the corporation pays an annual custodial fee (accrued daily and payable quarterly) based on LAMP's average daily net assets as follows:

<u>Asset Value</u>	<u>Basic Cumulative Point Fee</u>
\$100 million	1
\$200 million	1
\$300 million	1
\$400 million	1
\$500 million	.95
\$600 million	.97
\$700 million	.95
\$800 million	.94
\$900 million	.93
\$1 billion	.91

During the year ended December 31, 2000, custodian fees of \$71,400 were incurred.

LEGISLATIVE AUDITOR

LOUISIANA ASSET MANAGEMENT POOL STATE OF LOUISIANA Notes to the Financial Statements (Continued)

LAMP, Inc., is paid an administrative fee for the administration of LAMP. The Executive Committee of LAMP, Inc., has oversight authority with respect to the amount of administrative fees deemed necessary to properly administer LAMP. The administrative fee is a monthly fee of LAMP's average daily net assets, which was computed at the annual rate of approximately 9 basis points adjusted proportionately as the investment advisor's fee and/or custodial fee decreases so that the total of all three fees did not exceed 22 basis points. Effective April 8, 2000, LAMP's board of directors approved a reduction of 3 1/4 basis points in administrative fees charged and accordingly, the total of all three fees not to exceed 19 1/4 basis points. During the year ended December 31, 2000, administrative fees of \$486,760 were incurred. These intermediary fees have been eliminated in the accompanying financial statements. LAMP, Inc., net assets total \$379,840 at December 31, 2000.

8. OFFICE LEASE

The corporation has an operating lease for office space. The future minimum rental payments applicable to this lease are as follows:

<u>Year Ended December 31</u>	<u>Amount</u>
2001	\$19,340
2002	<u>15,983</u>
Total	<u>\$34,823</u>

9. LITIGATION

There is no pending litigation against LAMP or Louisiana Asset Management Pool, Inc., at December 31, 2000.

10. FEDERAL INCOME TAX PAYABLE

Louisiana Asset Management Pool, Inc., is a taxable entity for federal income tax purposes. For the year ended December 31, 2000, the corporation had a taxable income of \$111,821 resulting in a federal income tax expense of \$30,369. At December 31, 2000, an overpayment of \$4,318 in federal income tax exists and will be applied against calendar year 2001 federal taxes.

11. CHANGE IN INVESTMENT ADVISORS

The contract with the investment advisor (Bank One Investment Advisors Corporation) expired on April 4, 2001. Before the expiration, proposals were received and evaluated for the selection of the new investment advisor(s). AMR Investment Services, Inc., and Hsieh & Tang Funds, LLP were selected as investment advisors. Each company will manage approximately 50% of LAMP's investments. As a result of the competitive selection process, the investment advisory fees were reduced from a maximum 12 basis points to a maximum 6 basis points.

**LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULE
For the Year Ended December 31, 2000**

SCHEDULE OF INVESTMENTS

Schedule 1 presents individual investments held by the pool at December 31, 2000.

LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA
Schedule of Investments, December 31, 2008

<u>PAGE AMOUNT</u>	<u>MATURITY DATE</u>	<u>YIELD</u>	<u>FAIR VALUE</u>	<u>AMORTIZED COST</u>
Federal Farm Credit Bank Notes:				
\$5,000,000	01/02/09	0.88%	\$5,080,808	\$4,989,168
5,000,000	03/01/09	0.41%	5,080,808	4,989,797
<u>10,000,000</u>			<u>10,080,808</u>	<u>9,988,965</u>
Federal Home Loan Bank Notes:				
\$15,000,000	03/02/09	0.54%	\$15,076,858	\$14,973,858
10,000,000	04/01/09	0.73%	10,073,808	9,985,408
<u>25,000,000</u>			<u>25,080,858</u>	<u>24,959,266</u>
Federal Home Loan Mortgage Corporation Notes:				
\$15,000,000	01/04/09	0.77%	\$15,000,808	\$9,094,825
5,000,000	01/05/09	0.50%	5,000,808	4,989,868
5,000,000	01/06/09	0.43%	4,987,508	4,987,238
20,000,000	01/08/09	0.88%	20,007,808	20,004,858
5,000,000	02/01/09	0.14%	4,973,745	4,973,584
25,000,000	03/01/09	0.07%	24,446,108	24,430,148
10,000,000	04/02/09	0.23%	9,803,888	9,788,888
20,000,000	08/04/09	0.48%	19,021,148	19,007,847
7,000,000	08/05/09	0.62%	6,798,758	6,778,248
<u>142,000,000</u>			<u>140,458,758</u>	<u>140,430,388</u>
Federal National Mortgage Association Notes:				
\$25,000,000	01/16/09	0.64%	\$24,828,775	\$24,604,268
5,000,000	02/02/09	0.44%	5,000,888	4,988,847
5,000,000	02/03/09	0.62%	5,001,308	4,998,008
10,000,000	03/20/09	0.80%	10,008,128	10,008,558
5,000,000	04/10/09	0.17%	4,814,025	4,813,448
13,000,000	05/04/09	0.60%	13,018,288	12,883,325
8,483,000	07/16/09	0.88%	8,213,241	8,188,768
10,000,000	08/07/09	0.73%	9,858,088	9,817,288
10,000,000	08/18/09	0.88%	10,058,088	9,887,388
20,000,000	10/16/09	0.88%	20,108,088	19,808,044
<u>116,483,000</u>			<u>115,854,781</u>	<u>115,815,658</u>
Repurchase Agreements:				
\$150,000,000	01/02/09	0.50%	\$150,808,088	\$150,808,088
107,681,000	01/03/09	0.50%	107,601,088	107,601,088
150,000,000	01/03/09	0.80%	150,808,088	150,808,088
<u>407,681,000</u>			<u>409,217,264</u>	<u>409,217,264</u>
<u>\$751,084,000</u>			<u>\$749,644,910</u>	<u>\$749,567,781</u>

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain a report on compliance with laws and regulations and on internal control over financial reporting required by Government Auditing Standards, issued by the Comptroller General of the United States. This report is based solely on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses in internal control or compliance matters that would be material to the presented financial statements.



OFFICE OF
LEGISLATIVE AUDITOR
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June 8, 2009

Report on Compliance and on Internal Control Over
Financial Reporting Based on an Audit of the Financial Statements
Performed in Accordance With Government Auditing Standards

**BOARD OF DIRECTORS OF THE LOUISIANA
ASSET MANAGEMENT POOL, INCORPORATED
STATE OF LOUISIANA
New Orleans, Louisiana**

We have audited the general purpose financial statements of the Louisiana Asset Management Pool (LAMP), a component unit of the State of Louisiana, as of and for the year ended December 31, 2008, and have issued our report thereon dated June 8, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether LAMP's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered LAMP's internal control over financial reporting to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

LEGISLATIVE AUDITOR

**BOARD OF DIRECTORS OF THE LOUISIANA
ASSET MANAGEMENT POOL, INCORPORATED
STATE OF LOUISIANA**

Compliance and Internal Control Report

June 8, 2001

Page 2

This report is intended solely for the information and use of LAMP and its management and is not intended to be, and should not be, used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,



Daniel G. Kyle, CPA, CFE
Legislative Auditor

MEMORANDUM

EXHIBIT A